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ABSTRACT

Two stipulations would allow cable television to provide the best in journalism, informational broadcasting, and the associated public services: first, complete freedom of access, and second, all cable programming should be chosen and paid for by the viewer. Over-the-air broadcasting has regarded informational programming as an "inessential item", to be disposed of whenever profits fail to increase. Television news has been superficial and has failed to take into account the needs and tastes of minority groups. Controversial informational programs have suffered from government criticism and the lack of sponsors. The costs of network programs are enormous. If cable television left payment and access up to the viewer, thereby eliminating the need for censorship, and used low-cost videorecorders and less slick presentation methods, many of the problems of over-the-air news programming could be solved. In order to achieve this goal cable should be granted a modified common carrier status, with a number of free public channels. The remaining channels should be reserved for whatever services the viewer chooses, with no advertising and little regulation beyond maintaining technological standards and keeping competition open. These regulatory preferences should be indicated before the disposition of power is firmly established and resistant to change. (JY)

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THE FUTURE OF NEWS AND PUBLIC AFFAIRS BROADCASTING AND CABLE TV

by

Marvin Barrett

September 1971

A Report Prepared for the
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Cable TV offers broadcast journalism and, indeed, all broadcasting a new opportunity to start from the beginning and start right. Little exists beyond the hardware, and that, in terms of what it seems destined to become, is still in a very primitive stage. The rudimentary attempts at program origination are few in number and bear little resemblance to what must develop in the future. Regulatory procedures are still tentative and contradictory and subject to drastic revision.

Given this virtual blank, what disposition of CATV would be in the best interests of journalism and the associated functions of public service and informational broadcasting? If we determine that, in my opinion, we will have described the best possible system for any and all purposes.

Taking the long view, most of the current discussion revolves around issues -- distant signals, common carrier versus system programming, multiple- and cross-media ownership, etc. -- which must become irrelevant or inconsequential if CATV achieves optimum performance.

However, two characteristics seem essential to this optimum performance and it is to everyone's advantage that they be considered now and not later when secondary and selfish considerations may make them impossible to adopt.

The first is complete freedom of access. This means that anyone who wants to can make a program or message available to the set owner, and that anyone can get from his set whatever is offered whenever he wants it.

The second characteristic, which may seem to challenge the first, is that, with certain important exceptions, the material passing over the cable should be chosen and paid for by the recipient.

In such a system program origination and system ownership would be separated. There would be no "schedules" in the manner that radio and TV have been scheduled during the past 50 years. And, it's hoped, there would be no place for commercial advertisements.

Granted these conditions, and assuming complete technical competence -- including multiple channels, two-way capability, switching, unlimited computerized information retrieval, facsimile and other in-home printing and recording devices -- most of the major shortcomings and hazards of news and public affairs broadcasting on over-the-air TV could be overcome and the service in these areas immeasurably improved.

Any consideration of the future of news and public affairs programming on CATV will be helped by an evaluation of existing over-the-air services in this field, local and network.

Therefore, I propose, first, to give some idea of today's over-the-air news and public affairs broadcasting, particularly its deficiencies in serving the consumer and the impediments (internal and external) to its fulfilling its journalistic and public service functions. Second, I should like to outline in the most hopeful terms the services related to news and public affairs which might be provided by a cable system using all the technology now developed or promised for the next few years. Thirs, I will consider some of the news and public affairs programming that has actually been originated by

CATV so far; and fourth, project a possible route that cable, as it is in the spring of 1971, might take to its future ideal state, indicating some of the hazards and detours that undoubtedly lie in the way.

Before I begin, I must admit to the belief, stated above, that CATV could solve almost every one of the existing problems of local and network news and public affairs broadcasting, and they are many. By the same token it could grievously compound them, so that under the dispensation of cable the last condition of broadcast journalism could be much worse than the first.

There is no guarantee, of course, that the mistakes that have been made in radio and TV won't be made yet again in cable. At the same time there is the dim hope that something may have been learned from what has gone before; that proprietors in the intervening years may have changed their objectives and disposition, or at least grown aware of some of the more obvious pitfalls that greed and fear put in the way of any broadcaster seeking his own and the public's good.

I. CURRENT PROBLEMS IN OVER-THE-AIR TV NEWS AND PUBLIC AFFAIRS

What most viewers accept now as the natural and inevitable form of TV news and public affairs programming is actually a highly precarious compound of elements which have evolved and achieved their present shape almost entirely by chance. One of the principal reasons for this unstable product's existence, development, and survival is a fragile clause in the Communications Act of 1934 which instructs broadcast licensees that they are obliged to serve "the public interest, convenience and necessity" if they wish to keep their extremely valuable franchises. What exactly "the public interest, convenience, and necessity" is, has had at least as many interpretations as there

are station owners who have put radio and television schedules on the air. But there has come to be a tacit acceptance, confirmed by FCC pronoucements, that the words relate most importantly to news and public affairs programming.

The first extensive guidelines relating to such programming were contained in the FCC's "Public Service Responsibility of Broadcast Licensees". the so-called "Blue Book" published in March 1946. They were still being refined in 1971 in the FCC's primer for License Applications and its efforts to define "substantial service," the stated requirement for a broadcast station's immunity from outside license challenges.[1] Much of FCC policy in recent years reflects its concern for news and public affairs programming, notably the Fairness Doctrine, the equal time provision, and most recently the "Westinghouse" ruling which limits network prime time programming to three hours per evening. All three of these well-meant attempts to encourage quality electronic journalism can be accused of having had the opposite effect.

With the FCC looking on, the networks (although they are not franchised they have many reasons to want the FCC and Congress to be on their side) have kept a fluctuating amount of such programming on the air. Local stations, in most instances, have done the same. The primary motive, with some notable exceptions, has not been any spontaneous desire to serve the public or to produce the best that Television can offer, but fear of losing one's license and

1. This concept was successfully challenged in the U.S. Court of Appeals for the District of Columbia, in June 1971.

the profits deriving therefrom.[2]

In periods of prosperity and confidence when these services (however inadequate) can be rendered without too much economic pain or political risk, one hears only a little grumbling.[3] When business gets bad and politics rough, news and public affairs is invariably the first operation threatened with staff and budget cuts, program cancellations and other diminishments.

In a report to the Ford Foundation on the "Potential Impact of Cable Growth on Television Broadcasting," Rolla Edward Park, exploring a 1968 cross section of television stations, found "strong positive relationships... between quantity and quality of public service and local programming, on one hand, and station revenue on the other...Stations in the highest revenue sextile broadcast, on average, roughly twice as many hours per week of both public service and local programming as do stations in the lowest sextile...Expenditure per hour of local programming is defined as a rough index of local program quality. This quality index also increases markedly with revenue, at least quadrupling from the lowest to the highest revenue sextile." (At the same time, prime time hours allotted to such programming did not increase.)

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2. How far short most local television stations fall of proposed FCC guidelines was indicated by performance figures released by the FCC in February. Only ten per cent of 67 major television outlets with $5 million or more annual revenues, came up to the proposed public affairs standard (5 per cent of program time (or approximately seven hours a week.) Other figures dealing with newscasting guidelines were similarly disappointing.

3. Prosperity can result in other conflicts. Because there are a limited number of channels per market and broadcast hours per day, the more business a television station gets the less time it has available for unremunerative programming -- which, unfortunately, is what most public affairs programming is. There are also other deterrents, the greatest being the chronic lack of sponsor and viewer enthusiasm for serious or "depressing" or controversial fare.

That this formula works in reverse was amply demonstrated in the 1971 season. Budget and staff cuts in news departments were widespread. Even in instances where there was no drop in revenue coming from news such cuts occurred apparently to compensate for falling income elsewhere in the schedule. NBC laid off more than 70 producers, writers, directors, correspondents and technicians in its News Department. CBS banished its last regularly scheduled public affairs prime time hour "CBS Reports" to Sunday afternoon. ABC cancelled plans for a weekly documentary series and a late evening network news show.

Broadcasting has, as much as any industry, fallen victim to the "increasing profits syndrome." No matter how large the returns in any given year, if they do not increase or remain the same, "inessentials" are cut back to maintain them.

Unfortunately, the first "inessential" to go is news and public affairs. This reflex grows less appropriate year by year, particularly on the networks. There, no matter how costly it may seem, news becomes more and more conspicuously the one thing the networks can do better than any one else, and thus is their principal justification for survival.

Furthermore, newscasting has become increasingly respectable in local station managements' eyes in recent years as it has begun to command high ratings and bring in substantial profits. Even at the networks where news budgets invariably show that expenses exceed returns, the amount of money collected for regular newscasting (not to mention such para-news operations as the "Today" show) is formidable. Also, a successful newscast injected into the beginning of a station or network prime time schedule can give an enthusiastic

send-off to an entire evening of entertainment programming. None of this prevents networks or local managements from slashing news budgets first.

On the other hand, public affairs, documentary, and community programming of various types have never achieved the widespread public acceptance that newscasting has. (The only exceptions are at moments of great national concern and celebration such as assassinations, moonshots and political conventions.) Consequently, in any squeeze this type of programming tends to be sacrificed with neither management nor the public apparently too upset. In the latest DuPont questionnaire sent to all television news directors in the top 100 markets, public apathy was more frequently mentioned than any other reason as an intimidating factor in putting together news and public affairs programming. The next most-frequently mentioned intimidating factor (in a list which included the fairness doctrine, sponsor and management interference, license challenges, and concern over controversy) was fear of subpoenas.

At the same time there are many instances indicating that the growing professionalism and influence of television news has made station and network management, usually sales and circulation oriented, uneasy. One of the greatest handicaps broadcast journalists operate under is being part of an enterprise which is, first and foremost, devoted to other concerns namely entertainment and merchandising. It is a juxtaposition which is not only inconvenient but frequently embarrassing to the journalist.

And if management sometimes embarrasses the newsman the opposite is also true, especially in recent years when advertisers, the source of managements' prosperity, have frequently figured unwholesomely in news stories and documentaries. Also, the country's elected officials, the ultimate givers and takers away of precious franchises, have become increasingly aware of the growing power of broadcast news and its relevance to their own incumbency. This creates a complex of affinities, revulsions, and pressures almost impossible to sort out.

Broadcast news, as we now know it, is hedged round with threats to its integrity and health. It is remarkable that it ever achieves the excellence it frequently does -- proof of the courage, idealism, and steady nerves of its producers.

Network Cassandras like CBS' News Richard Salant and Walter Cronkite have indicated that they feel economic and political pressures in concert could "do in" network TV news as we know it, even without the help of cable. Reuven Frank of NBC News, although not exactly optimistic, has managed to stop the news retreat at his network and hopes to build his operation back to where it was before the recent rout. However, no one talks anymore about news expansion.

There is no easy assurance in the present primitive state of cable program originations that, should over-the-air television news falter, cable could quickly enter in its place. Still it is not impossible. CATV's condition in 1971 is not too different from that of over-the-air television in 1948: scattered, inept and tentative. Now, over-the-air TV is proprietor of the most powerful journalistic tool ever forged. History could repeat itself and if cable suddenly needs help in its new responsibilities, there are unquestionably competent journalistic forces which could be called in. Despite dire predictions

of a collapse in electronic journalism, alternate means of financing the substitute enterprise could be found. Not only could cable replace over-the-air TV as the nation's number one news source, it could cannibalize and reshape every other existing informational medium.

Before considering such a drastic possibility, let us go on to a few more of the problems which afflict today's television news and public affairs departments. What do they fail to do? And what do they complain of not being able to do because of existing conditions? These are the things we must hope a new dispensation in news, if it comes, could correct.

A. Inadequate Coverage

A half hour of network news, a half hour or hour of local news, however expertly done, still invites the criticism of superficiality. Television news is just the headlines or, at the most, the front page. Much of the time is taken up by commercials, sports coverage, weather reports and other soft items. There is increasing repetition of items within each newscast. There is never enough investigative reporting. Commentary is avoided. There is little space to cover areas such as business and economics, the arts, social issues. Staffs are too small, or time too short to permit specialists. Informed opionion is rare. Government, local and national, is treated superficially. Programming for minority tastes and needs is weak or non-existent.

CBS, which has traditionally seen the solution as an extending of newscasts to a full hour every evening, has given up all hope of such an expansion thanks to the Westinghouse rule mentioned earlier. NBC is less enthusiastic about doubling its time, thinking more in terms of a floating optional extension of the newscasts which could be used or not, depending on the weight of the news on any given day. NBC News president Reuven Frank says to doublt the time one must triple the budget, that the assumption that outtakes or electronic overset would fill the time cheaply and painlessly is mistaken. Meanwhile, the number of documentaries and public affairs shows (the traditional supplement to network and local newscasts) are being drastically cut back.

Inadequacy derives in part from different causes in network and local coverage. With networks with a half hour devoted to their principal

newscasts each evening, time is paramount. On local stations there is frequently a great deal of time -- as much as 90 minutes for the early evening news. But staff and expertise are lacking and repetition prevails both within each newscast and from station to station where news sources (network feeds, wire services, local newspapers, publicity handouts, news conferences and arranged events) are identical. The trend toward shorter items and pleasanter items, the desire to be entertaining and sensational in the hopes of attracting larger audiences militate against broader and deeper coverage. Duplication from channel also plagues the networks so that even where news shows aren't broadcast simultaneously as they are in most markets, consecutive viewing results in little more news.

B. Inadequate Access

The television establishment is conspicuously white, middle-class, middle-aged, male. The old, the young, the rich, the poor; the black, red, yellow, and brown; the female; the avant-garde; the radical and the conservative; the silent majority and the spokesmen for the establishment, all complain that they are misrepresented and unrepresented and clamor for attention and air time. Even if management were inclined to give them their way, which in most instances it isn't, there is not enough time to go around. Many of the communities served almost exclusively by television have virtually no access to its program sources. This is not a failure unique to

television, newspapers and magazines are also culpable, but that makes it no less critical. Particularly among the black and the young, techniques for hacking their way to the screen have been developed which are neither in the interest of good government or good journalism.

The problem of access lies behind most of the demands for air time heard on a national and local level from politicians as well as deprived groups. Senator Fulbright's suggestion that Congress should have access to television equal to that of the executive branch, the Democratic party's demands for time to answer the President's broadcasts, the doves' requests for time to balance the hawks', all come from lack of access to the medium and thus access to the public. The networks protest with considerable justice that to answer all these demands would be unfairly punishing to them -- and to their viewers. Local stations point out that giving equal time to candidates for local office could result in hundreds of appearances and thousands of dollars of lost revenues. There are innumerable other inequities involving such refinements as prime time and simultaneous three-network coverage.

Given the limitations of time and space these problems seem insoluble by today's broadcasters.

C. Lack of Objectivity on the Part of Newscasters. Interference and Intimidation from Outside Powers. No First Amendment Protection.

These complaints are intimately related to the problem of access and to each other. Government licensing and growing government concern

with news and public affairs programming opens the broadcaster to the possibility of political interference and intimidation. The FFC, in its recent statements on "Hunger in America" and "The Selling of the Pentagon," has reassured TV newsmen that it doesn't intend to meddle, but guidelines and primers still keep appearing and Congress remains dissatisfied and restless. Politicians have increased their demands that broadcasting as a licensed medium must be "objective" and "fair" which usually means they want their side of the story told, whether it is plausible or not.

Management (in the case of commercial stations) and trustees (in the case of public stations) are frequently tempted to tinker and intrude, misusing their power of the purse. Advertisers, if they don't overtly affect the content of news and public affairs programming (and there is very little evidence that they have gotten to news producers with any frequency), still can have a harsh impact on the end product through their unwillingness to pay for the controversial or unpopular, and by the very presence of their self-serving messages on the air, particularly in and around news offerings.

Added to all this has been what many consider a concerted effort on the part of the Nixon administration to call into question the network news operations' credibility and "correct" a bias on the part of the networks variously labelled "eastern," "effete," and "liberal."

If such a bias exists, because of the unique nature of over-the-air boradcasting as a federally-licensed activity and one with limited access, it must be seriously examined. Not because of the political expediency that has motivated many of these accusations, but to avoid the tyranny of money and class. However, there is little likelihood that bias, even it it can be discovered, is something that can be regulated within the existing system. It is bias-prone because of limitations of time, spectrum, space, and money. Affiliated stations also have their impact on what comes over the air and there is evidence that they are anything but pleased by some of the best examples of network reporting. The attempt of politically motivated persons to drive a wedge between the networks and their affiliates (White House Director of Communications Herb Klein's speech at the NAB convention in April, 1971 is one example) is not likely to result in improved or less biased news, but only eliminate the sum total of serious news available and reduce the possibility of a challenge to local prejudices and misconceptions.

One of the biggest threats at the moment to the honesty and effectiveness of network news is this feedback from the affiliates. And if anything, this resistance to opinion and information which are contradictory to the views held by station management, is more prevalent on public television than on commercial. One of last year's more controversial programs, "Staggerlee," featuring Bobby Seale was shown

on only 41 of 103 public television stations reporting clearances. This year's "Banks and the Poor" had multiple clearance problems across the country. A general decline in controversial programming this season in comparison to last has been attributed to the anxiety of public television to get increased government backing and to avoid offending anyone while their funding was under Congressional consideration. This all indicates that the turning over of most serious news functions to public television suggested as a possible solution to some of the aforemention problems by experts from Dean Burch to John Macy should be very carefully examined. The result of moving the news to public television likely would be a decrease in news, circulation and impact rather than an increase in controversial and "serious" programming.

D. Competition, Profits, Ratings

Given the physical limitations of over-the-air television -- in length of time, width of spectrum and concentration of audience -- the popular inevitably drives out the merely excellent. Under the lash of an ever-present preoccupation with ratings and profits, news -- particularly local news -- has often been tempted to compromise high journalistic standards. Short items, sensational items, gimmicks, good news, flippancy, have all been employed in the interest of capturing audience rather than reporting the news. Documentaries have to compete with entertainment shows, local public affairs programming with network offerings. In those instances when an enlightened management is

willing to forego that extra layer of profit in order to inform its audience on some pressing issue, management has the faceless and dividend-hungry stockholder to answer to.

E. Costs

Broadcasting costs, thanks to skyrocketing talent and union demands, are enormous. No one can afford to fail or merely attract an audience which in any other form of journalism would represent staggering success. Since only the majority is catered to all the time, almost everybody is badly served most of the time.

The public itself is a party to this deteriorating spiral. Shamelessly manipulated, it has conceded prematurely that its tastes are low and become defensive about it. Prime time is almost completely dominated now by the trivial and merely entertaining. This condition has unfortunately been aggravated rather than ameliorated by the recent cutback of prime-time networking by the FCC. Experiment and change are seldom seen by television's mass audiences. Any material demanding serious attention or that is mildly disquieting loses out in the ratings and is discarded for the unanswerable reason -- it doesn't make money. Only when an event is so staggering that it can't be ignored, i.e. the aforementioned moonshots and assassinations, is it offered with any confidence to the majority.

It is more than probable that "Marcus Welby's" top ratings were obtained as much by its scheduling opposite serious news programs on the

other two networks as on the acting skill of Robert Young, or the public's overwhelming interest in medical fantasy. And now the competition has given up. The CBS News Hour (including the much-praised "60 Minutes") has been moved to late Sunday afternoons where it will be subject to the incursions of pro football. NBC's "First Tuesday" will become "First Friday," a day with significantly less competition and audience.

MORAL: <u>On over-the-air television the journalist gets little opportunity, credit, or satisfaction</u>. If he does the job that needs to be done chances are, as in "Hunger in America," "Migrant," or "The Selling of the Pentagon," the television newsman infuriates politicians, frightens and alienates potential sponsors, and inconveniences his employers. The real value of his accomplishment is lost in the succeeding uproar and pussyfooting. His best ideas are frequently dismissed as being too controversial or noncommercial; the bland fare he is often set to work on can only be embarrassing to him when it is aired.

In such an atmosphere, the working conditions are painful to veterans and unattractive to newcomers; the professional rewards are erratic and ambiguous.

II WHAT CABLE COULD DO

Having briefly examined the worst problems and shortcomings of over-the-air television news and public affairs, I would like to consider the advantages of cable television in these areas. In doing so, I make

the startling but necessary assumption that over-the-air television can be superseded to the benefit of all, and postpone consideration of the impediments (regulatory, economic, competitive, and professional) that inevitably will be put in cable's way.

Among the idealistic, too much of the thinking about cable television has been devoted to putting it to work to answer worthy but parochial ends. Among the cynics and special pleaders, the barriers are already going up to ensure that the millenium will never arrive. Before we fall totally under the spell of these two extremes, let's try to get some clear idea of what each group may be trying to prevent.

As I said earlier, I believe cable television can solve all of broadcasting journalims's current problems. Inversely, I think what is good for news and public affairs on cable television is identical with the health of the entire medium. To take up the problems mentioned above in a somewhat different order:

A. Costs, Competition, Profits, Ratings

Payment for cable is already an established fact as far as the householder is concerned. Payment for what one receives over this rented wire, although not ruled out by the industry or government, has not been subjected to any extensive public test. Such payment is essential for the success of journalism on cable stations and for solving most of the aforementioned problems.

The freedom of the press does not depend on the advertiser who sponsors the news, although on television he picks up a formidable tab, and in newspapers he pays 70 to 80 per cent of the bill; nor does it depend on government or private subsidy which in some instances seems to make it all possible. These patrons are potential threats, if not actual destroyers of this freedom. What makes the press free is the individual who, of his own free choice, reads or listens or looks. That free choice and its possibility makes the difference, just as the free vote makes the difference between tyranny and democracy. Which brings us to the paradox that our paying for the news may be the essential ingredient in preserving the freedom of the press. It is a cliché that so-called "free television" is anything but free. But how can one get the average viewer to grasp this truth? How can one ask him to pay on a fee basis for what he has been getting without direct charge, and at the same time convince the viewer that doing so will help ensure that the news he watches is "free"? This is a problem more for the social engineer and psychologist than for the economist.

Consumer confusion in this area and a refusal to look beyond the immediate advantage has led to the success of the boradcasters' and theater owners' militant and long-term lobbying against "the box office in the living room." Pay-television trials proposed and launched have been hamstrung and rendered meaningless. Now cable television with its four-and-one-half million subscribers and its thousands of franchises

granted or about to be granted has outflanked these evangelists. Pay television is here. There no doubt will be other battles fought.

The fact remains that a wisely administered pay CATV system ultimately could be less costly to the individual family than over-the-air television as it now exists, just on the basis of each family's indirect payments for programs in the markups on advertised goods -- many of which they never see but nonetheless help pay for. Advertising pays 100 per cent of the costs of over-the-air television. And the public picks up 100 per cent of the tab. Beyond that are the far more crushing social costs of over-the-air "free" television in terms of wasted time, distraction from worthwhile pursuits, promotion and sale of useless products, creation of false expectations and needs, the corruption of talent and values, and the encouragement of antisocial behavior. The American people are just beginning to tot up the cost of industrial wastes in terms of environmental pollution. The bill for television's profligacy may be even more devastating.

The superiority of direct "choose-and-pay" cable television over sponsored "free" offerings is most dramatically demonstrated in the possible uses of it for informational programming -- namely, news and public affairs. Even in their most euphoric days, pay-television's promoters never dared emphasize paying for news and documentaries. They were giving up very little. It was hard enough to get an audience for a worthy documentary free without charging for it. Yet the advantages of

pay cable television to anyone shopping for news and information are potentially as greater or greater than those to the lovers of opera and Shakespeare and uninterrupted art movies who are usually cited as the principal and harmless beneficiaries.

This, of course, assumes an advanced technology and the maximum cumulative audiences it could deliver. Given these, a wide variety of news programs without irrelevant and ulterior patronage should be economically feasible.

There is no reason why, with reasonable market penetration plus a nationwide base of subscribers, complete news service couldn't be available to the individual recipient for prices comparable to the cost of his daily paper, without extraneous sponsorship.[4]

Local news could be delivered on the same basis, its frequency being dictated, as it is with the printed press now, by the size of the market and the demand. Specialized news services corresponding to weekly and monthly journals could also be made available for rates comparable to the cost of print periodicals. Journals of opinion and specialized journals could grow and prosper, as they do now, according to their success in meeting a real need or under interested subsidy. There would be cable tabloids and cable journals of record. Consumers could get their news issue-by-issue as on a newstand or by regular subscription. Also, thanks to the ability to store programming for later viewing, they could watch their choices in their own good time.

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4. The economics of the information revolution as it relates to today's and tomorrow's news dissemination is dealt with at length in Chapter 10, "Who Pays for the News" in Ben Bagdikian's The Information Machine.

News service would not be dispensed by a management with other overriding concerns, but by a source whose primary business was news gathering and whose rewards for meeting popular or special tastes would be direct. Ratings would disappear; in the place of abstractions and projections, there would be simple and accurate circulation figures -- a true gauge of the preferences and the interests of the public.

Quality fare would survive as it has in the book publishing and record world because the rigid limits of over-the-air broadcasting would disappear. Without schedules, there would be no Sunday afternoon ghetto to which high-quality, small-audience programming could be assigned. Analogues for off-Broadway and the underground press would have some chance of development and survival. New talents and formats need not be instantaneous popular successes to survive as they must on over-the-air television today. There would also be additional means and reason to preserve what has been seen once. Television today is prodigal of its products. Its archives, available only to itself, are tangled and badly-kept if not completely erased. With cable's ability and motivation to store and retrieve, its products might be saved and put to use indefinitely.

Behind national and local daily news would be ranged endless information sources: earlier documentaries and interviews; film records of public meetings, legislative sessions, historic events; profiles, commentary, and opinion could be summoned up by cable technology in visual, audio, or printed form according to need and interest.

The vagrant and accidental quality of today's television news would no longer prevail. Free cable libraries, analagous to public libraries, could be established with similar advantages. There would be no impediment to anyone who wished to summon the entire resources of current cable television or its archives.

This would mean the exhaustive exploration of visual journalism's possibilities and resources. It would no longer be just a matter of headlines. Its full nature as a unique journalistic tool would be given an opportunity to display itself. What visual informational needs remained unsatisfied could be conveyed on cable by facsimile and other printout and recording methods.[5]

Whether magazines, books, or newspapers, as we know them, could survive the development of such a technology is uncertain. If they couldn't, cable could be the means of converting the energies of these industries, already faced with formidable production and distribution problems, into new channels. Substituting electrical impulses for millions of pages of newsprint and rag stock suggests a whole new set of benefits to society which might accrue from cable communications.

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5. For an exploration of the possibilities and a clue as to who might be willing to help realize them see "Newspapers and Cable Communications" prepared for the Sloan Commission by Jules Tewlow.

The cry of depriving the poor, the old, the handicapped and the otherwise socially disadvantaged must at this juncture be squarely faced. This argument, put forward by the antagonists of pay television, is not only condescending but dishonest. The price the poor pay for the worthless fare of commercial television is exorbitantly high in proportion to their ability to pay. Commercial television also represents to the disadvantaged (by virtue of its accessibility and lack of alternatives) a form of bondage and frustration which the more affluent and mobile have the possibility of escaping. Without other recreation the children of the poor are disproportionately subjected to the negative effects of commercial television -- the extent of which is only now being suspected and researched.

Although commercial television is a conspicuous component of the much envied U.S. standard of living, its benefits to the minds and spirits of Americans in general are increasingly being called into question. It is quite possible that television as it now exists represents an improverishment rather than an enrichment. To the poor this is not only an insult but a mortal threat.

Pay cable television could be given free to the poor and disadvantaged as a social necessity if that is the honest wish of society; not as a sop or a distraction from their miseries, but as an opportunity to escape from them in a real and final way. Leisure, enforced or earned, requires more than an endless sequence of games, talk fests, and fantasy dramas or it will become the terminal enslavement of rich and poor alike.

B. Advertising

Cable offers the first opportunity since the presidency of Calvin Coolidge for excluding the disrupting and distracting influence of advertising from informational, if not all, serious broadcasting. Nowhere has television advertising been more conspicuous or inconvenient to the viewer than in and around newscasts. Not only does this advertising trivialize what it accompanies, it often appears in a truly shocking juxtaposition to the subject of the news. One solution, less farfetched today than it would have been three years ago, is to make the news itself so innocuous and superficial that no clash is likely to take place. Another and healthier conflict between advertising and program content is evident in the growth of consumerism and the public concern about environmental issues as these are reflected in the news. In an even slightly extended period of time the dissonance between commercial pitches -- for gasoline, drugs, breakfast foods, cosmetics -- and the accompanying news reports on the same subjects is harsh and specific. Anyone with a reasonable memory cannot fail to be disconcerted. Nonetheless, over-the-air television is permanently wedded to advertising.

Cable television still offers the opportunity for a reevaluation of the usefulness and morality of advertising. If one considers the mood of the nation's youth and militant minorities, this reevaluation is long overdue. There is still an opportunity to exclude advertising from all information programming. Indeed, relieving journalism of the questionable companionship and patronage of commerce might be the greatest boon that cable television has to offer.

Excluding advertising from the cable entirely in favor of consumer services by trained researchers and journalists has to be considered; honest shopping services, where advantage can not be bought by clever slogans and packaging and an appeal to irrelevant considerations like sex and social status, do not exist now in over-the-air television.

These seem wildy visionary concepts in the light of current practice. But the elimination of cigarette advertising from broadcasting, as most of the advertising industry realized, set a dangerous and important precedent which, despite attempts to apply it to areas such as the automotive industry, gasoline, and military recruitment, has not yet been successfully followed. If one uses intentional misrepresentation rather than danger to health as a criterion, then there are, as one indignant advertiser has said, few commercials on the air, or anywhere else, that would survive.

It is conceivable that advertising has outlived its social usefulness if it ever genuinely had any. The classic argument in its favor is that it brought America its prosperity, its pyramiding gross national product, its fabulous standard of living, that it introduced products and services heretofore undreamt of by man and made America the most-envied nation in the world. Time may have caught up with us.

Inadequate coverage

There should be no need for anyone to complain of inadequate coverage on cable television for the reasons indicated earlier.

To those who want superficial coverage, the tabloid newscast would be the answer. To those who want more than the tabloid format offers, there theoretically no limit to the depth of coverage which could be provided (beginning with the "newscast" of record which, by definition, must be much more complete than the fare now proffered). Either type of news coverage would cost the subscriber only a few pennies per day. Income, given the possible numbers of subscribers, should be more than adequate to staff a distinguished news operation.

On cable, investigative reporting, so lacking on television now, could appear in abbreviated or extended form according to the viewer's choice.

It would no longer be a matter of "news" comprised of headlines, and headlines of someone else's arbitrary selection at that. The viewer could regain the right to choose what he wished to heed -- a right that television has so far deprived him of -- and in a very real way, every man could compose his own daily news program.

This again introduces the ever-present fear that Gresham's law would prevail in that public indifference to value would lead to the debasing of all worthwhile programming as it has tended to in radio and television. However, if the more accurate analogy of magazines and books and LP records is employed rather than radio and television, it is seen that program debasement need not necessarily follow. The limitations of time and space which have prevailed heretofore in

broadcasting would be removed; without them, popularity would no longer be the single reason for survival. The so-called mass public could once more be sorted into its endless separating, shifting, and overlapping constituencies, each of which would have its chance to be served. The expectation would be that these constituences, if socially wholesome, would grow in numbers and increase in sophistication and knowledge. Television could add to the educational process rather than subtract from it.

Whether or not most people look at only the most ingnoble of programs is not the point. If the minimum number need to cover costs chose to tune-in the offering, it would justify any journalist worthy of the name. Then the lowest common denominator would command only a fraction of what the endless numerators, heretofore virtually ignored, would have available to them. The "making of a buck" could once more take its proper place in the hierarchy of broadcast values. Wildly successful programming would no doubt still exist, but there would once again be a place for the merely excellent and inspired. That margin for making mistakes and taking chances, which is the breeding ground for great talent, would reappear.

Neighborhood coverage and minority access.

Here the technology of cable offers endless possibilities which have never existed. This is the activity which excites the idealist. To ensure it he is willing to endanger the full development of cable television's potentialities. To a certain extent the expanded versions

of local news and specialized programming just described would cover many of these needs, but far from completely.

If the possibility of these services has been the most exciting to those social engineers who discuss the positive applications of the cable technology, viewed in isolation they seem the hardest to bring into being and maintain without elaborate and arbitrary regulation.

By the same token, these services are held up by made cable television operators as the reason for special treatment by licensing bodies and also as a reason for the public to subscribe to their service.

For the moment, neighborhood and minority services are probably the most unique of cable's talents and, if over-the-air boradcasting's formulae are permitted eventually to prevail over the new technology, they will be its most vulnerable.

Provision for them in individual instances, protection for their growth, and insurance of their continuation are imperative. Therefore, in order to open cable to all comers and to adjust it to the smallest community, some form of subsidization would seem necessary, namely the setting aside of special channels and the furnishing of required equipment and personnel for origination. Such subsidy could come from the system operator who would be required to set aside a certain portion of his revenues for this purpose, or the local government which would use a part of the fees it levies to provide these facilities.

Since the rest of the spectrum would be common, these public access channels, their number dictated by need and demand, would have a peculiar character. In the first place, they would represent the heart of free access to cable television, the real democratic core of its activities and the place where new talent and new ideas would first appear. They would also provide society with a safety valve in helping to depressurize those violent and destructive manifestations which are among the most disquieting concommitants of limited-access to over-the-air television and the other media.

Falsification, exaggeration, and manipulation would no longer be necessary to get attention. One of the principal grievances the dissenters have against today's television would be eliminated. No media would ever have had such a means of tolerating or taking exception to the lunatic fringe. Further, as the only free continuously programmed channels, they would have a built-in attraction which would draw attention to them and give the minority, the new talent, the new thinker, and the new community concern a showcase and, if successful, an opening into more permanent areas of programming. Public access channels would contain their own evolutionary controls. The truly ephemeral and inconsequential would die unmourned, the significant could be retained and given permanence in the other part of the spectrum. But no one would be forbidden access, nor given preferential treatment.

Special provision for official programming and programming of immediate internation, national, regional or local importance would

also be carried live on free channels and only revert to conventional archives after the fact. Interconnects and satellites would offer local systems the opportunity to carry such programming as the event is taking place, thus preserving the principal genius of over-the-air broadcasting for the new technology and increasing its scope indefinitely. Such events -- as well as Congressional proceedings, political conventions, town meetings, civic events, and space shots -- would be given open non-interpretative coverage as a public service paid for by taxes or out of a fund accumulated from the fees paid to cable television's hard- and software proprietors. Political television campaigning, today apparently an insoluble dilemma, could be easily and painlessly accomodated with the twin bugaboos of equal time and vast expenditure laid permanently to rest. Edited versions and commentary that the government would not provide could still come from private programming sources. In many cases, the viewer would have access, if he wished, to the same raw material as the journalist. There is no reason why this would have any but a salutary effect on the circulation of news programs carrying edited versions of the same material and delivered for a price.

Lack of Objectivity, Interference, First Amendment

Journalism would no longer be an embarrassing piggy-backer on entertainment television dependent on the affluence and courage of its host for its continued existence and subject to his whims. Accusation of bias would be impossible with unlimited access and open schedules.

The need for a "fairness doctrine" would disappear and the First Amendment would come into operation at least as effectively as with today's printed press. Released from the shadow of federal licensing, television programming would be independent as never before. With everyone offered a voice and a screen, the genuinely eloquent and expert professional could be back in touch with his audience no matter how unwelcome his views to politician or businessman.

Costs

The technology of cable is reducing operating costs to a level that compares favorably to those of radio or print and is far less than those of commercial over-the-air television. The exigencies of small operations with small budgets and small profits have encouraged the use of para-professionals and amateurs and the development of inexpensive, highly portable equipment that is easy to operate. Young people are turning to cable as a place where they can experiment and fail -- escaping the limitations and timidity imposed by all forms of over-the-air television, network, large city, small city, UHF and public.

The attention of those who have been so effective in reducing the options of over-the-air broadcasting -- management, the unions, the agents, the stockholders, the advertisers, the politicians -- has not been fully caught by cable. The pickings so far are too small, the risks too great. Although the spoilers will inevitably make their appearance -- indeed, even at this moment they are hovering in the wings -- an air of humility and ineptness, of confusion and possible failure as

well as of infinite promise still hangs over cable. Again, if cable's affinity to book publishing and LP records (with their decentralization and vast and fuzzy perimeter) is encouraged rather than any kinship to the claustrophobic, tightly organized contracting world of today's television, cable may escape the latter's enthrallment to those interested only in money and power.

Regulation

As with other common carriers, government supervision over cable television would be concerned mainly with keeping the quality of the service high and the prices fair. Program content and public interest would no longer be the government's concern except in that portion of the spectrum where free access and public events coverage was offered. Here minimum standards for local community service should be prescribed and generous national service be ensured by adequate financing and supervision.

The foregoing projection assumes that eventually there would be no "time" sold anywhere on cable's multiplicity of channels. Except for those free channels open to government and individuals on a no-charge basis, scheduling would be entirely up to the consumer. This would not be a matter of prohibition, but simply an impossibility growing out of the best and freest use of the technology. Nothing would compete with anything else except in the viewer's own head. Therefore, everything would be competitive with everything else. One could fill one's day with 24 consecutive hours of Doris Day or filthy movies if one chose to spend one's time and money that way.

There is no guarantee that in leaving the choice completely up to the public its preferences would remain what they are today. At least quality fare would be meeting popular offerings on an equal basis and if quality fare didn't immediately win out, it wouldn't automatically disappear as it does today. With everything as accessible as everything else, there would be no Sunday afternoon ghettos except in the mind of the person tuning his set.

At this time in history it is still possible to hold such a visionary view of cable television and its prospects, mainly because of the pathetic nature of its attempts toward news and public affairs programming. Programming of any sort for cable barely exists. Regulation is tentative and contradictory. Nevertheless, cable television has been a fact for more than 20 years and there are some indications scattered here and there of unfortunate directions it might take if its development is left to accident rather than design.

How we get from where we are to where we should be is the concern of the next part of this paper. How cable can be made a conduit for the best possible news and public affairs must be considered in the light of what is going on now and what is likely to occur in the next few years.

CABLE TODAY

Relating the current condition of cable television's news, public affairs, and community broadcasting to that of over-the-air television, or to cable's own future, is an exercise in heroic imagination. In comparison, cable news is incredibly primitive. And yet when one thinks of television in the late 1940s and what it became by the mid-1950s, the distance from primitive to irrevocably sophisticated -- and flawed -- seems short indeed.

Although it has taken cable television approximately 20 years to crawl to its present crude state, there is a measure of hope in that it has not gone farther. Unlike its predecessors, cable has most of its options still open. Though it still may be a pathetic midget, cable has the giants of over-the-air television demanding government protection from it for themselves. That these whimperings are heeded is some indication of how seriously cable television must be taken. Cable's own demands for protection and encouragement seem more reasonable. But which, truly, is more an imposition on public credulity? The cry for help from the rich, accomplished, self-indulgent entrepreneurs of today's television, or the request for special treatment by the cable interests who have done little or nothing to demonstrate their ability or determination to make things better? For the moment the FCC, to whom these pleas are directed, seems thoroughly confused and undecided.

To date, what are the proportions of cable's threat? Which is another way of asking, what are its accomplishments?

The FCC's confusion and indecision is matched by that in the infant industry, most conspicuously in the area of program origination. The desirability of cable systems adding programming not presently available on over-the-air television to their schedules is now acknowledged by both the industry and the regulators. What the programming should be, how it should be financed, who should produce it has yet to be resolved.

In 1970, the FCC issued a vaguely worded directive that all systems with more than 3,500 subscribers must begin originating "substantial, non-automated" programming by January 1, 1971. Later it delayed the date to April 1, 1971 and offered systems between 3,500 and 10,000 subscribers the opportunity to apply for waivers. Before the April 1 date, 74 systems (one-fourth of the total number of stations required to program) had requested waivers. (This did not include an undisclosed number of applications which were returned because they were not accompanied by the $25 fee required, or those numerous systems who, for a variety of reasons, chose to ignore the FCC directive.) By the end of April, 1971 only nine of these waivers had been processed: seven approved and two denied. In May, Midwest Video won a case in the St. Louis Court of Appeals declaring the FCC ruling invalid. To date the matter is unresolved.

Even in this indecisive atmosphere cable owners went ahead with program origination with varying degrees of success. Early in 1971, the National Cable Television Association sent out a program origination survey to the 2,700 cable systems in operation across the country. By the end of April, with considerable prodding, 1,000 answers had been returned.

According to the results, program originations were overwhelmingly of the automated variety, with 629 systems reporting an automated weather channel, 80 reporting news tickets, 23 stock tickers. Non-automated program origination of some sort was reported by 214 of the 1,000 stations with the average weekly origination schedule standing at 18 hours.

Of the locally originating systems, 113 reported local news shows, 78 of which were aired daily; the remainder were weekly, monthly or some variety of news special. Thirty-six systems had broadcast editorials some time in their career, six were doing it on a daily basis. One hundred and twenty-six systems had covered election returns; 132 had given air time to political candidates; 80 had aired city or county council meetings; 173 carried sports events; 75 carried sports commentar; 53 showed feature films, and 102, free films; 63 had kiddie programs; 63 had teen programs; 60 had women's programs; 11 featured cooking programs; 23 had carried exercise programs. There were 124 talk programs, 61 music programs, 92 religious programs, 25 educational programs, 11 bingo programs, and five telethons.

SCHEDULE "A"

TELEPROMPTER

Number of Systems: 19
Average Number of Subscribers Per System: 6,652 1/
Average Rate Per Subscriber: $.525

Origination Equipment (all systems):

Weather Machines	8
Cameras	30
Slide Projectors	4
Video Tape Recorders	15
Motion Picture Projectors	8

Automated Services:

	Approximate Hours Per Day (all systems)	Approximate Average Hours Per Day Per System
Time-Weather	168	8' 50"
News Service	24	1' 16"
Stock Ticker	6	19"
Taped Music	190	10'
Message Channel Unit	102	5' 22"

Local Program Origination:

Category	Approximate Hours Per Day (all systems)	Approximate Average Hours Per Day Per System
Local News	1' 15"	4 Minutes
Educational	---	---
Public Service	2' 50"	9 Minutes
Local Variety Programs	6'	19 Minutes
Feature Length Films	---	---
Cartoons	---	---
Serial Shows	---	---
Financial	5"	Negligible
Talk Show	1'	3 Minutes
Woman's Program	1'	3 Minutes
Children's Program	2'	6 Minutes
TOTAL	14' 10"	44 Minutes

1/ This average figure is not truly reflective of the average system since six systems serve as many as 13,000 to 20,000 subscribers while another six systems serve less than 2,000 subscribers.

H & B AMERICAN

Number of Systems: 62
Average Number of Subscribers Per System: 3,732
Average Rate Per Subscriber: $5.04

Origination Equipment (all systems):

Weather machines	46
Cameras	13
Slide Projectors	36
Video Tape Recorders	7
Motion Picture Projectors	4

Automated Services:

	Approximate Hours Per Day (all systems)	Approximate Average Hours Per Day Per System
Time-Weather	996	16' 4"
News Service	200	3' 22"
Stock Ticker	---	------
Taped Music	408	6' 34"
Other	---	------

Local Program Origination:

Category	Approximate Hours 1/ Per Day (all systems)	Approximate Average Hours Per Day Per System
Local News	1 (live)	1 minute
Educational	-	-
Public Service	1	1 minute
Local Variety Programs	2	2 minutes
Feature Length Films (repeated)	12	12 minutes
Cartoons	2 1/2	2 1/2 minutes
Serial Shows (TV rerun)	-	-
TOTAL	18 1/2	18 1/2 minutes

1/ Apart from local news, all programming is either tape or film. The only system which engages in any amount of program origination is at Reno and its programming is chiefly older feature-length films, material which will not be used in this program plan.

Although the responses include the tiniest and largest systems the assumption is, since the inclination to answer would be associated with the ability to report some program origination, that they reflect a higher average of system program origination than would a complete response to the NCTA questionnaire.

Perhaps easier to interpret are the two schedules for the TelePrompTer and the H and B American systems submitted prior to their merger and the comments accompanying them.

The comments accompanying the schedules are of particular interest:

"'Program origination' for cable television have been FCC and industry watchwords. A number of systems have made substantial outlays for origination equipment and sketched elaborate, ambitious plans for programming. Despite some dramatic efforts, cable program origination has yet to become a practical reality and its future potential does not appear imminent. There are a number of reasons for this shortcoming. First, probably, is the history and organization of the cable industry. Its founders are principally technicians and engineers. These have been followed by financiers, leaving producers and artists still largely outside of the industry. Efforts to obtain materials from distributors have been largely unsuccessful because of competitive pricing restricting cable systems to material that no one else wants or that has been used repeatedly. Cable's present program origination capacity is curtailed

by the relatively high production cost (including personnel and equipment cost) and limited available program sources.

"Cable television's major program effort to date has been in automated material -- time-weather and news ticker -- and even this service is offered by relatively few systems. Without substantial production outlets of its own, cable has not and probably will not be able to make a significant contribution -- neither in quantity nor in quality -- to program diversity. TelePrompTer has been an NCTA award-winner in a number of cable program-origination categories. Yet even this leadership in local origination offers only modest competition to present television programming, no matter how meager or poor.

"Without adequate resources and a ready market, cable organizations will not make a substantial contribution to program diversity for at least another ten years. This period of delay would not only deprive the public of an immediate source of additional, different programming, but would allow the present controllers of program sources to extend their control over the newer medium.

"TelePrompTer will, within its first year, attempt to double the volume of its present program originations, and will steadily increase that volume over a five-year period until a full channel of originated programming has been reached."

TelePrompTer claims to have requested no waivers for the 50 out of the 63 systems required by the FCC to program, but its programming plans are still moving slowly. "We are just learning how to program"

says Charles Woodard, vice president for programming. "We can't compete with networks. We have to do things that are largely different." There is a company directive that the 50 originating stations must have at least 15 minutes a day of local news, five days a week by June 1, and one hour a week of public affairs discussion -- "a meaningful program touching on issues of real concern to the community" -- by the end of summer. In a year TelePrompTer also plans to have some sort of central production operation which will circulate programming material throughout the systems.

Although these plans were laid down before the St. Louis ruling was issued,TelePrompTer still intends to carry them out. Minimum budgets of $15,000 a year per system for program originations were designated for the first year, rising to $35,000 in the fifth year when at least one channel persystem was supposed to be fully programmed.

Another of the news operations most frequently cited over the past few years by industry publications is that of High Fidelity Cable of Great Barrington, Massachusetts. Begun five years ago, this station now serves an estimated 10,000 viewers (3,000 homes) in Great Barrington, Lee, and Stockbridge. Its news offerings at their peak consisted of two 15-minute broadcasts five evenings a week, at 6:15 and 11:15. Since the closest available television news emanated from Albany and Schenectady, the two programs had a comparatively high viewership. News operations began with one full-time reporter-engineer (a rare combination) using a

one-half inch Sony VTR and two one-inch Sony editors. Three years ago a second man was hired. "It was a very passive view of the news" one man who has worked there since comments. "Police, accidents, town meetings. Still, it was better than the local radio or the Berkshire Eagle (Pittsfield, Massachusetts) which had three people in the area."

The newscast was the station's only original programming, a second open channel being devoted to a weather dial. Although advertising was solicited, none was forthcoming. After five years the news operations was estimated to be costing the system $100 a day. Within the past year High Fidelity Cable produced a single one-hour documentary on solid waste disposal. It had no budget and was done by a part-time employee in his spare time. The documentary won an NCTA cable origination programming award.

In spite of high local viewership and intra-industry praise, High Fidelity Cable dropped its newscast on April 12, 1971. In its place is a sports and feature show at 2 and 7 p.m. daily which would give four hours a day of program origination rather than 30 minutes and conceivably, with the local interest in high school sports, sell some advertising. "When we get a little more money coming in we'll go back to the news," station management was quoted as saying. Another alternative considered was joining three cable systems in the Berkshire area for a single news program, sharing costs among them.

Such operations provide a local service which otherwise would not exist. There are some systems in the country that are beginning to do more than that.

Bay Cable Vision in Berkeley, California, one of 30 franchises belong to Gulf and Western Industries, began program origination in April, 1971 with 15 hours of coverage of the hotly contested Berkeley municipal elections. Despite the national and loca interest focussed on the election and the great number of highly sophisticated news operations in the Bay area (including KQED, one of the nation's premier educational channels), Baby Cable had the only <u>local</u> live television coverage.

The two-man staff, both recent college graduates, interviewed 53 of the 61 candidates on the air and brought the final election results to viewers from their head end on Grizzly Mountain.

Although there were approximately 1,000 subscribers then and the system was under no legal obligation to originate programming, Bay Cable committed itself to an immediate expenditure of over $130,000 for equipment and studio facilities and had planned to hire a full-time staff of four by August 1.

The reason behind such a comparatively large commitment to such a few subscribers is contained in the proposal given to Gulf and Western by the men they hired to develop their program originations.

"In many areas of the country where the cable is sold primarily on the basis of reception and the level of public awareness is relatively low, that approach (the tendency for cable operators to think in terms of maximizing profits and minimizing program origination) may succeed. To pursue that strategy here, however, would be disastrous. Reception in this area is, for the most part acceptable-to-good, and most sets are capable of receiving San Francisco VHF and UHF signals, eight in all. So if the cable is to be a success, it must provide a special service to the community. That service is high-interest, high-quality programming.

"The Berkeley-Richmond market is one of the nation's most diverse...a great university community, racial groups with a strong sense of ethnic identity, a flourishing youth counterculture distinct from the university, upper-middle class professionals, artists and craftsmen of every possible variety, old people, poor people, musicians, actors, writers and even evangelists. According to the 1960 census, the median age of the Berkeley population is 30; in Richmond the 1960 median age was 29."

The plan called for a production and technical staff of 13 (top salary $8,500 as compared to $18,500, the average for television newsdirectors in the top 100 markets), and a programming schedule of five hours a day in color. "The core of the anticipated schedule of programming would be a 30-minute news program presented weeknights at 10:00 p.m. to allow maximum time for preparing a visually creative

and carefully documented report on the communities serviced by Bay Cablevision. The 10 o'clock time slot, furthermore, minimizes competition from local commercial and noncommercial news." The current estimated minimum budget for producing the newscast is $100,000 a year, a little less than half what the average local over-the-air television station spends for a comparable segment of news.

A comparison of these ambitious plans with the rest of the cable systems in the Central California area, one of the largest concentrations of cable systems in the country, is instructive. Most of the systems have more subscribers than Bay Cable and many have equally well-heeled proprietors.

Name of system	Subscribers	Originations
Western Communications (Chronicle Publishing Co.)		
Concord Cable TV	17,440	Origination; hopefully in April
Western TV Cable	8,000	Free films
County Cable	1,270	none
Viacom (CBS)		
Contra Costa Cable	6,060	none
TeleVue Systems of Marin	25,000	none
TeleVue Systems Inc.	15,500	none
TeleVue Systems of Dublin	14,000	none
NorCal Cablevision	11,565	none
Cablevision TV Signal (San Fran)	20,000	see below
TelePrompTer has six franchises in the area, three in operation.		
Santa Cruz	17,000	see below
Ukiah	2,650	Dateline Ukiah Friday 5:30-7. News, interviews, reports
Willits	1,400	none
Some talk of combining three systems for new coverage.		
Storer Broadcasting		
Six systems, all under 2,000 subscribers. Ostensibly, no origination.		
General Electric Cablevision Corp.		
Walnut Creek System	6,400	none reported
TracySystem	2,000	none
Vacaville System	2,900	none
Evening Telegram Co.		
Pacifica	6,500	Staff of four hired. First project: 30-minute doc on Miss Pacifica beauty pageant. No news plan - just special events coverage.

Crystal Brite Cable	1,230	none
Vista Grande Cable	500	none
Kaufman & Broad		
Belmont Cable TV Co.	10,000	see below
Nationwide Cable		
Morgan Hill	700	none
San Leandro	2,000	none
Gulf and Western		
Berkeley	1,000	see above
General Tire and Rubber (RKO General)		
Cablecom General of Northern California (4 systems)	1,750	none
Total TV of Santa Rosa	10,200	see below
American Television Communications Corp.		
Lafayette Cablevision	13,500	see below
Foote, Cone and Belding		
Sunnyvale	3,000	4-10 hours daily. Live local news and sports. Full color studio. Mobile unit.
Televents of Calif.		
Martinez	15,000	planned for April
Castro Valley	3,600	planned for April
Com Cable TV Inc.		
Healdsburg System	1,200	none
Guernville System	1,200	none
Cloverdale System	1,200	none
San Jose Cable TV	5,000	Free films, 5-minute rip and read news daily.

The most interesting seem to be:

1) Cable Television Signal of San Francisco (no franchise requirements for original programming), 20,000 subscribers. One of two CBS systems in the Bay area which are doing program origination. Program Director -- Sam Ewing -- graduate of San Francisco State in broadcasting. Television Officer in the U. S. Army with several years experience in closed-circuit television. Ewing has a staff of five -- three production, two technical.

Ewing has started origination by doing what he says is "the easiest thing," namely interviewing people on the street with a Sony Videorover -- a self-contained, battery-powered video camera and video tape recorder which weights about 25 pounds, is simple to operate, costs $1,500 and puts out a high-quality picture. He hopes to get up to one hour per day of origination by August 1, 1971. In April he was doing 20 minutes per day of his street interviews. Ewing says he has no intention of competing with San Francisco over-the-air television news by doing a regular news program. "I want to publicize groups doing positive things, showing positive alternatives. If we use a little showmanship and honesty, we can do it."

Programming plans include "free films" from manufacturers, charitable organizations, etc., educational courses for credit in conjunction with the public schools, cooperative productions with other cable systems in the area which could lead to a local cable network.

2) TelePrompTer in Santa Cruz (no franchise requirements for original programming), 17,000 subscribers. Program Director Ronald Nelson -- MA in broadcasting from UCIA, singer and musician, attended Don Martin School for Announcers in L. A. Warm-up announcer for Joey Bishop. Beer commercials. Singer for USO troop. Staff: one technical person. Temporary waiver applied for due to non-arrival of equipment by April 1st. Programming planned for May or June from a $200,00 color studio includes five minutes of news a day to be reported by Nelson, coverage of local Miss California Pageant, golf tournaments, city council meetings, conventions, chamber of commerce meetings and elections. Additiona help may be inivted from students at the University of California at Santa Cruz.

Nelson hopes eventually to pay for local originations with advertising, to be sold at $200 an hour. Prospective customers already signed up include a local department store, a funeral parlor and a car dealer. (An offer from a promoter to buy up all the station's time for programming and resale was declined.)

3) Belmont Cable TV (no franchise requirements for original programming). 10,000 subscribers. Program Director Andrew Trentacosta. Graduate Michigan State. Worked in radio. No previous television experience. No paid staff. Volunteer talent, camerman from local high school. Four hours of program origination daily, usually between four and eight p.m., including local sports; a rock show for teenagers; a program on Japanese brush painting by a local artist; a spotlight on activities of the Peninsula Jewish

Community Center; acting lessons given by a local actress; a discussion program for high school students; local city council meetings; two weekly Bible shows; and syndicated cable bingo. Several of the shows are repeated. Plans include a news show "on a limited scale," an ecology show, a review of Peninsula night life, a where-to-eat show.

Trentacosta has high praise for his volunteer workers and hopes to put one full-time worker on salary soon. He hopes eventually to pay for program origination by advertising; already has some advertisers, including Pepsi which pays for the teen show.

4) Total TV of Santa Rosa (no franchise requirements for original programming), 10,200 subscribers. Program Director Jim Cardnis, Dezilu Productions, professional dancer. Staff: three production, plus part-time programmers. High school camermen receive credit for work.

Total, with a full color studio, has the most substantial origination schedule in the Bay Area -- 173 hours originated in the month of March, 1971. It is the only franchise in the Bay Area to provide a substantial news service -- 30 minutes every nihgt. Its monthly news budget is $1,000. A part-time woman reporter (three-fourths of her time is devoted to Total) drives a radio-dispatched mobile unit to cover a regular beat, including City Hall and the police department. Field interviews are done with a Sony Videorover.

The reporter also writes continuity for three part-time on-the-air employees: an anchorman, sportscaster, and meteorologist.

Some of the other programming includes: a forum on local issues; Religion Today (a program about all faiths); a historical series on Sonomo County; a teen-age rock show hosted by a local radio disc jockey; "Glamor Isle," a fashion show by the woman who runs the local modeling studio; "Ecoline," an ecology program; a morning talk show with Cardnis as host; a weekly report from Sonomo County officials; a children's program with public school teachers; "Hoe Down" (country and western music); an ethnic program done by college students; two accredited courses in psychology and first aid offered by Chico State College.

Total has been originating since October 5, 1970. Its three full-time staff members work an average of at least 12 hours a day. The results, according to Cardnis, don't look too professional, but the appeal lies in Total's strong local content. "If people want to do professional stuff, they belong in New York, not Santa Rosa."

Total hopes to make money from its program originations and is currently selling one-minute spots for $7 to $15, 30-second spots for from $4.75 to $10.

5) LaFayette Cablevision (no franchise requirements for program origination), 19,500 subscribers. One of the largest systems in Central California, LaFayette has no programming staff and no clear plans for program origination. According to chief engineer Charles Christianson, LaFayette is waiting for the FCC to establish a minimum

requirement. In the 12 years the system has been operating, the only programming has been a tape of local politicians made by the school system. LaFayette is owned by American Television Communications, Inc. which operates 46 franchises from headquarters in Denver. There is some possibility that a programming department serving all systems might be established in Colorado. There is a possibility the parent company will contract for the UPI news wire. The only community programming currently being considered is a local version of "Romper Room."

The Central California picture is in no way unique. Across the nation there are the few exceptional systems which, without much relation to size or the prosperity of their proprietors, make valiant attempts at program origination. On the whole, however, the amount of origination is small, the style pedestrian, the staffs and budgets tiny, the personnel untrained.

Even the most ambitious and well-helled programmers seem at a loss for new ideas and approaches which might indicate the beginning of a bridge between cable's humble present and its great future. With all the resources of one of the most sophisticated communications operations in history behind them, and 56 hours of programming per week at their disposal, the programmers of Valley Cable of East Pittsburgh (Time Inc.'s showcase operation - 4,500 subscribers) came up with few, if any, ideas representing any departure from previous radio and television programming. (See appendix for descriptive list.)

Nevertheless, Time Inc. has sold all its over-the-air television stations and seems definitely committed to cable with $20 million invested, 17 systems in operation and 40 franchises spoken for. It is also in the vanguard of those exploring video cassettes. Time Inc. recently declared a six-month moratorium in cable/video cassette field to figure out just where it was going. This doesn't necessarily indicate humility. Dick Clurman, vice-president in charge of the cable cassette wing of the business, says "we want to use cable as a communications medium, not as a public utility. We would like to replace the networks in news and public affairs. Communications has always been Time's business. Journalism -- not hardware." Despite this gung ho attitude, Clurman sees full cable service as being at least 25 years away.

Why the moratorium has been declared might better be explained by what another Time Inc. cable expert, vice-president Edgar Smith, said to a meeting of cable analysts on April 8, 1971.

"The 2,500 cable television systems presently serving 4.5 million subscribers are, for the most part, too small to be interesting advertising vehicles, and their rate structures simply will not permit them to finance any but the most rudimentary programming. Indeed, most systems today do not even have the equipment to carry programming if it were provided to them free.

"The few systems now required to originate programming under FCC rules will, for the next two or three years, provide primarily local news and public service programming. They are simply not economically

constituted to produce, purchase, or otherwise provide any consequential amount of programming with significant audience appeal. (The italics are mine. The exclusion of news and public service may be an indication of the true temper of many cable operators.) Until a sufficient number of major city systems are interconnected by satellite to create meaningful advertising audiences, or until a sufficient number of little black boxes are introduced to create meaningful pay-television audiences, cable will remain essentially a device for improving the quality of television reception and for increasing off-the-air program choice.

"I see cable television as a three-phase business. Improving picture quality is Phase 1 and that is where we are today. Phase 2 will begin when the FCC lifts its present freeze and permits the importation of distant signals into the top 100 U.S. markets encompassing some 90 per cent of the population. Phase 3 lies in the more distant future. It is the day when program origination and the heralded array of new home communication services will finally become economically feasible to provide. Phase 3 is the pot at the end of the rainbow, and it is the main reason cable stocks today command high price-earning multiples."

Although there may be some confusion in Mr. Smith's priorities, he does recognize some of the real problems facing cable television. And if he sees Phase 3 as a pot of gold, he also gives some credence to the full panoply of cable services that his colleague, Mr. Clurman, thinks are a generation away.

The rest of Mr. Smith's comments are less visionary:

"The initial attraction of cable television was that it was a capital-intensive, rapid-depreciation, quasi-utility type of business with high cash flow. Certainly this was true in the classic rural systems where the entrepreneur strong coaxial cable from a mountaintop antenna to homes in the valley and thereafter collected $5 a month from his subscribers and did very little else. He usually realized an operating profit ratio of 50 per cent or so and kept his taxes low through depreciation write-offs.

"There have been some changes. Both construction and operating costs are rising rapidly and will continue to rise as calbe television moves into larger cities, requiring underground construction. Meanwhile, the $5 per month service charge has not changed essentially in the past 20 years. Irving Kahn, chairman of the board of TelePrompTer Corporation, recently told the FCC that he foresaw service fees dropping to $1 or $2 a month. My own view is that it will take $8 - $10 per month of subscriber revenues to make cable systems of the future profitable. This does not necessarily contradict Kahn's prophecy; it does not matter, really, whether the revenue comes from service fees or ancillary charges for other services rendered.

"Current cable television stock prices reflect the expectation that cable will not remain shackled to the $5 per month of gross revenues. They reflect the confidence that new revenue sources will come into

existence and that the owners of today's systems will reap profits from these new services. I agree. I have no doubt that anyone with a good cable franchise today is in as enviable a position as the foresighted individuals who acquired television licenses in the late 1940s.

"The big problem for cable television is money. While the focus of public attention has been centered on eclectic problems -- such as the appropriate form of regulation, access to channels by interested groups, and various proposals for limiting the number of subscribers any one company should serve -- the biggest problem has been generally ignored. That is the question of where the risk capital is coming from."

Smith is a violent opponent to common carrier, claiming "it would put the business back ten years if it happened now. We had very attractive franchises in New London and Bridgeport, Connecticut; when we found out cable was going to be a utility we got out."

Smith's thinking, with its cross-fertilization of vision and expediency (the latter dominating), is characteristic of the big operators in today's cable television. And understandably. Money and the wiring of the nation has to be their primary concern. But attention to the "eclectic problems" he mentions, along with those we have outlined, can never be lost sight of. If they are, what his wires carry will not be worth the electrical impulses that send them on their way.

GETTING FROM HERE TO THERE

In the preceding pages I have intruded on the concerns of this section. What likelihood is there that cable will find its way from its present crude state to the journalistic utopia described in section three?

There are those who have dismissed such a possibility. They point to the frailty of human nature, the strength and disposition of the powers which hold sway over the areas adjacent to and potentially competing with, or taking over, cable television. My own feeling is that it is possible if determined people of good will start soon and, avoiding the temptation to push their individual concerns, persist in the long hard fight to keep all of cable television's rich catalogue of options open.

Some precautions and protections are obviously in order.

Regulation

Ultimately, regulation of cable television should be simpler and more straightforward than that which has attended over-the-air radio and television, although some special regulation will no doubt be in order in the development period.

One of the possibilities that most persistently haunts regulators and theoreticians of communications regarding cable is that, in switching from the existing system to cable service, the public may be deprived of fare they now have.

The FCC's First Report and Order ( ) says: "...the loss of audience or advertising revenue to a television station is not in itself a matter of moment to the public interest unless the result is a net loss of television service...The FCC has repeatedly recognized, of course, that a CATV-caused loss or deterioration of free broadcast service would be detrimental to the public interest since it does not presently appear that CATV could replace such service for viewers not economically reached by cable or those unable to afford CATV charges. However, despite much speculation in the comments, we find no factual basis in this record or other persuasive reasons for concluding that CATV origination is likely to cause such a loss in the near future (i.e. the next decade)."

Further on the FCC order says: "...we think that in any event it would be a substantial period before any CATV network is in a position generally to outbid the broadcast service for the programming now presented by that service or to siphon off audience and advertising revenue to a degree that might have detrimental impact on established broadcast service to the public."

These assumptions, involving as they do, estimated lapses of time, are fine insofar as they have protected cable television from early and fatal attack. But for complete honesty, it is necessary to consider from the outset either the inevitability of drastic changes to be brought on by cable and be reconciled to their likelihood, or to invite the suppression or severe inhibition of the new medium's growth as a malign force.

The FCC order continues...."Most important, in the event that adverse consequences for service by individual stations or broadcast networks should develop or appear imminent, the FCC can and would take such remedial or preventive actions as may be necessary to preserve service to the public."

This contingency is obviously a highly sensitive matter, particularly with regard to news and public affairs. Still, cable has in some instances already, despite its smallness, poverty, and ineptness, managed to provide services that over-the-air television has infrequently or never attempted. These include news coverage in communities considered too small or remote to warrant attention from the more expensive over-the-air operations, and various community services such as coverage of the city council and school board meetings for which there is not time on commercial television.

It can be anticipated that these services will multiply, if only to encourage new subscribers. And not just in small towns. As the news director of Bay Cablevision of Berkeley says of his extended coverage of the recent elections, "We have already attracted more interest to the cable in two weeks than the salesmen have been able to generate with all their hoopla advertising in six months."

In the preceding pages we have described the problems of existing over-the-air television journalism. In part these are the

outgrowth of the medium's nature; in part they derive from the proprietor's chosen manner of using the medium. If all the networks and local stations had behaved in a more high-minded and socially informed way than they have, it still would be questionable to put regulatory impediments in the way of an alternate medium that seems to promise drastic improvements in the quality and breadth of service. Furthermore, there is little indication that networks or local broadcasters intend improvement in any of their programming in the immediate future. In fact, quite the opposite. Therefore, rather than attempting to protect what exists because it is "free" and familiar, the FCC might offer encouragement and guidance to alternatives that could offer relief from the shortcomings of the existing service.

It was not considered necessary to formulate regulations to protect essential radio services against the early inroads of over-the-air television (although the threat to radio was at least as real as that of cable to over-the-air television today). Nor were the prospective replacement services anywhere near as broad or socially useful. Radio service did decline drastically in time, and large segments of the country and population were out of reach of the new television signals, or couldn't afford the requisite equipment to receive them. But adjustments were made with amazing swiftness and efficiency and complaints concerning radio's diminished or transformed nature are rare today. This example is brought up--not because cable television and over-the-air television are analagous, but as an instance of rapid and successful

technological and social adaptation in the recent past.

The FCC has already applied the Fairness Doctrine to cable, another demonstration of its lack of imagination and failure to realize cable's true nature and potential. What is needed is encouragement for a form of cable which would require no Fairness Doctrine (i.e. free-access, common carrier, and public channels) rather than the transferal to the new medium of a questionable formulation which never worked for the old.

In the period before the nation is wired and two-way service and information retrieval becomes a reality, it is recommended that the FCC make provision for the division of the cable spectrum into free-access, common carrier, and public channels as described above. Formulae have already been suggested for this conversion which would not punish system owners unduly. Pay-television should also be permitted as an additional source of revenue for system owners (as well as an inducement to producers to begin programming for the new medium), and to subscribers to join the system. Pay-television should replace distant signals as the first priority of both the FCC and the industry.

Although the selling of time seems an inevitable concomitant of common carrier cable in its early stages, a formula should be worked out which automatically eliminates the selling of time as soon as two-way computerized retrieval is a reality. Paying for hardware is built into the cable system, but paying for programming will undoubtedly be fought

bitterly. But the sooner this bitter pill is swallowed the better for all concerned. If program payment is accompanied by a separation of hardware and software proprietorship and by the assignment of adequate free public channels adequately equipped, the threat to the public interest should be minimal for reasons already stated.

Other regulations might limit the size of multiple-cable systems in the interest of preserving the valuable local character of cable television at the outset (in later stages of cable development this would seem to be irrelevant). The trend toward uniform programming for scattered systems (as indicated in the plans of LaFayette Cablevision), and the tendency of local cable operatives to meld into regional entities to support news operations (Cablevision of San Francisco) could and probably should be discouraged by some form of gentle regulation.

Regulation of software peddling should be approached with even more delicacy, although there will be a natural inclination to try to keep down prices artificially in a medium which was previously all "free." Software fees might better be allowed to find their own level. In an open entertainment and information market, cheapness has never been the final deciding factor.

CONVERSION FROM OVER-THE-AIR TO CABLE

Many well-intentioned people have made the mistake of associating a concern for the"public interest" with the continuation of so-called "free" news and public affairs service on over-the-air television. They have been fearful of the collapse of such services should the networks and local independent VHF stations falter. The possible negative effects of cable television on electronic news circulation is also one of their principal concerns.

But the fear of a decline in existing television news operations, and the expectation of a drastic falling-off of the public's attention to important issues the minute they are required to pay for information about them assumes that VHF-television has been doing the most satisfying job possible in covering these issues in the first place, and that cable would inevitably offer less and worse--both questionable assumptions. Fear of a decline in news gathering also grows out of a chronic tendency to minimize the curiosity, concern, and intelligence of the American public.

The circulation figures of existing television news operations certainly are impressive. Nielsen estimated the combined average national audiences for the three network evening news services for a two-week period ending February 21, 1971, at 43,450,000 daily. Four stations in Chicago had a combined circulation for their local early evening news, averaged over a four-week period in February-March, 1971, of 1,032,000. For its three network affiliates, San Francisco had an average daily total circulation of 1,341,000 for the early evening

local news. In Des Moines, Iowa, two stations had 161,000 or 85 per cent of the total available television audience for their local evening news.

It seems unlikely that such audiences will melt away in the face of small charges, especially if the advantages of cable over VHF news are adequately explained and demonstrated in action.

How could a 'free' VHF-television dominated system metamorphose into a cable-dominated 'pay'-television system:

At some point in the not-too-distant future, programming produced specifically for cable television will begin demonstrating its quality in production values and as an income producer. As subscribers increase and the cash basis for programming grows, popular fare no doubt will begin to move from over-the-air to cable television. Many popular shows which make the switch will expire due to a sudden public unwillingness to pay. Others will be recognized as unnecessarily redundant and disappear, some of these undoubtedly being in the news and public affairs category. At the same time programs which could not survive on over-the-air television because of audiences too small to attract sponsorship might find pay-cable a much more congenial medium.

This process will not take place without the most violent objections from both over-the-air broadcasters and the public. At this point, advertising might perform a positive function. Prohibited from cable,

it could serve as a sop to over-the-air television's proprietors and allow them to continue programming for audiences not yet wired. This would not only insulate cable from the negative presence of commercials on most of its channels, but help prolong over-the-air television's life until cable service was complete. At some point, however, in the process an overwhelming and seductive technology, growing circulation and profits, and an inevitable improvement in the quality of cable television's fare will shift the center of gravity once and for all from over-the-air to cable. At that point, the services envisioned in Part 3 would be possible, and, hopefully, realities.

PROGRAMMING SOURCES

The separation of hardware and software is essential to the full development of cable television's programming sources. To date, regulation has encouraged the opposite approach; this trend must be reversed. Judging from responses to the NCTA questionnaire and other surveys, this reversal should not be too hard to effect at this juncture. Increased royalties without the inconvenience of providing the programming should persuade the majority of small system owners that they are not being deprived of anything but a headache. Even large systems, having some clear notion of cable television's programming potential, might be persuaded that things would move more swiftly toward a totally wired nation if investment in hardware and software were not required from the same entrepreneur; and that when the cable was laid and the technological and production capabilities sufficiently advanced, there would be more than enough money to go around. To the adamantly greed who insist on a slice of both pies, antitrust action (similar to that of the Paramount case which charged the feature film-making companies to divest themselves of their theatrical outlets) could be employed.

It seems more than likely that the vacuum produced by the cessation of program origination by system owners would very quickly be filled. The more serious vacuum, created by the dismantling of over-the-air television production units -- particularly in the news and public affairs area -- could also be occupied, although the effort and expenditure required would be much greater.

In the proposals cited earlier, TelePrompTer Corporation sees such a possibility as a threat of new monopolies, but there seems no honest reason to prevent existing networks and other large existing production entities from getting into cable software. As long as hardware is separated from soft, and competition is maintained, these giant cadres of professional journalists, producers, and technicians could well be employed in the new medium without inhibiting new talent and forms of creativity.

The networks already have syndication services which they feed to their affiliates at a real, if not budgeted, loss. One reason given is that they hope to pick up cable business when that market opens up. These skeleton operations also could provide a bridge over which network news organizations could escape if their parent networks go under.

Although both press wire services have yearly budgets which are a fraction of the networks', they already have experience in providing services to 150 cable clients and are engaged in an attempt to make these services more sophisticated and useful on a local level.

Burt Rhinehardt of UPI-TV, which supplies a number of foreign television networks and 12 well-heeled independent domestic television stations with 60 minutes of film product daily, sees a time when satellite or microwave distribution would enable his organization to service a full news channel 24 hours a day for individual cable systems at a very reasonable price. Recently, in conjunction with Documentary

Broadcasting of Philadelphia, UPI-TV was working on a plan for a cable service to provide four, six, or eight hours a day across the country. The plan is in temporary abeyance due to a loss of financial backing, but Rhinehardt feels it is just a matter of time before his organization will be deep into cable.

Time Inc., which had little or no interest in producing for over-the-air television, obviously has changed its attitude with regard to cable. On the basis of Dick Clurman's statement, it's evident that in a choice between systems and software, the communications conglomerate would probably opt for software, despite its $20-million investment in cable systems. No such choice would be open to the networks since they have already been instructed to divest themselves of their cable television holdings.

Companies now actively exploring the cassette field can be expected eventually to plug-in to cable. This includes everyone from General Electric and the Encyclopaedia Brittannica to the Radical Software (Raindance Corporation) and other underground operatives. In contrast to program sources related to national audiences, local television news operations might be harder to detach from their parent organizations and less worth preserving. Jules S. Tewlow, in his paper "Newspapers and Cable Communications" submitted to the Sloan Commission, indicates that there might be another highly competent source ready and able to furnish software on a local basis. Mr. Tewlow foresees a

revolutionary change for newspapers under the impact of cable and at the same time entertains the possibility that newspapers might not be cable's victimes, but its salavation. His views of the local news information bank with its files on Computer Controllers, Data Files, Micro Image Files, and Video Tape Files go far toward fulfilling the total picture projected in an earlier section of this paper. Even if his view is dismissed as overly visionary and self-serving, other authorities see the development of adequate and eloquent small-scale local news operations as a clear possibility.

Again, regulatory guidelines indicating a separation of hard- and software should be laid down as soon as possible to prevent the build-up of production units owned by multiple systems--concentrations of power which might make future division more difficult.

Costs

If, at the end of the Forties, anyone added up the costs to the nation of a full over-the-air television service and examined the fare that was being provided as an inducement for the individual homeowner to invest several hundred dollars in equipment destined for early obsolescence he would have said "impossible." And yet television set ownership went from 12 to 75 per cent of all U.S. households in the five years from 1950 to 1955. Cable already promises a variety of new services which are overwhelmingly greater than anything VHF television promised in 1950, more valuable to society and more profitable to cable entrepreneurs.

Conservative estimates put homes wired by 1980 at 27 million households, or far less than 50 per cent of the nation's total by 1980. If VHF television's early history is a permissible parallel, there may be many more, much sooner. Sylvester Weaver, Jr., an early veteran of both over-the-air and cable television, said to a convocation discussing the future of cable television on April 19, 1971, "We must remember that had the theater and broadcast interests through their power in Washington and with local and state governments, plus their propaganda to the public, not stopped the cable development, this country would have become a wired nation a decade ago."

Ben Bagdikian sees no reason why a nation which is willing to pay $3,000 for an automobile plus an annual $400 for its servicing should not, by 1985, pay out $1,000 a year for a home communications unit of the complexity and usefulness envisioned by cable television (providing a multitude of services exists). In the interim, costs for software are likely to be considerably lower than those indicated by such a budget.

K. J. Stettin of the MITRE Corporation claims that by 1975 a full hour on information invited over a two-way cable into the home "might be provided at a cost of twenty five cents, or less, per terminal hour." Figures quoted by Lionel Kestenbaum in his paper for the Sloan Commission are comparably low.

The remarks of FCC Commissioner Thomas Houser at the NCTA convention in April, 1971 indicate that production costs for local originations which have particular relevance for the operation of free-access channels are also remarkably reasonable. Quoting figures for leasing of channels reported by the Brookings Institute, Federal Communications Commissioner Thomas J. Houser said, "A typical system would have to charge between $50 and $100 per hour for live origination to cover its operating and capital expenses. This charge provides for the use of a simple studio, a camerman, and black-and-white equipment. The same system could also provide for approximately $15 an hour transmission of videotape and films for local chapters of national organizations that desired such service. These costs are based on a schedule of ten hours of local origination and 20 hours of film (six hours daily for a five-day week). In view of the present charges levied for broadcast air-time or lecture-hall rentals, such a pricing policy would seem attractive to many local governmental, educational, social, cultural, and religious organizations who would seek such exposure."

In the news and public affairs area the differential between current cable and over-the-air television budgets is equally dramatic. Although the end-product may not yet be competitive, there is no reason why cable's offerings should not grow in expertise. Cable has a definite superiority in the mobility and inconspicuousness of the

equipment. A one-half inch portable Videorover with VTR costs $1,500 compared to the tens of thousands of dollars that over-the-air film and two-inch tape equipment cost. Total TV of Santa Rosa's monthly news budget of $1,000, and High Fidelity of Great Barrington's weekly one of $500 can be compared with the findings of recent RTNDA studies which put the average news budget for over-the-air television stations in the top 50 markets at $440,200 annually with some going as high as $5 million. Although these widely disparate figures can be expected to approach each other as cable news grows in power and prestige, and over-the-air television news declines, they indicate that the initial stages of cable programming should be easier than sometimes predicted. In the early period of its development cable would obviously continue to employ simple, inexpensive equipment, para-professionals, and amateur personnel. These apparent stopgaps, however, have already lead to the exploring of certain areas and styles of programming which might well be preserved as cable news departments grow in sophistication.

Coverage, Access et al

Because news and public affairs programming on cable television is still slight, many of the problems mentioned in Section Two do not yet exist to any significant degree. The adequacy of cable television's news coverage is not yet an issue. That cable can do things which over-the-air television can't or won't in local and community coverage has already been pointed out. These services have been spreading and

increasing, and if proper franchising and regulatory measures prevail, there is no reason why they shouldn't expand to the optimum service described in Section Three. Since time and space limitations should never be a problem on cable television as it takes over present news operations, those excuses for inadequate coverage can never be given.

Access to cable television is already far less expensive than it is to VHF television, although cable's limited circulation still minimizes its importance to minorities. The July 1, 1971 inauguration of public access channels in Manhattan should give some foretaste of how that section of the spectrum might be used. It seems likely at first that, due to the limited and special audience reached, these channels will be underutilized, perhaps to a discouraging degree. It is to be hoped the experiment persists until widening circulation will catch up with it and its full potential can be realized.

Talent and Morale

Perhaps one of the most promising things about cable at the present time is the interest it arouses in the young, talented, and experimental. Increasingly put off by the monolithic character of existing television systems, even the comparatively permissive public television, discouraged by the few and menial jobs available to those without credits or the popular touch, they are watching cable with close attention. Young people predominate in the programming departments of cable, down to the high school level. Many are willing to work for

nothing or for comparatively low salaries in the new medium. Larger production entities are going after young and offbeat talent for program originations and cassettes aimed eventually at the cable trade. Avco has underground tapes in its cassette library and TelePrompTer was reported to have held exploratory conversations with George Stoney of NYU.

It is hoped and expected that cable can hold and increase this enthusiasm in a segment of American talent underutilized or totally ignored by broadcasting in recent years. As long as it can, its creative problems should remain minimal, and the onerous demands of super professionalism and mass appeal that have been so destructive of over-the-air television's spirit can be effectively staved off.

Every effort must be bent to keep cable oriented toward talent and service rather than profit. The presence of young and disinterested spirits in its ranks will promote that end.

CONCLUSIONS

My recommendations on cable television are as follows:

1) That cable should be granted a modified common carrier status with a substantial number of channels set aside for public use, subject to increase as needed.

2) That the public channels should be freely accessible to all and arrive free in the subscribers' homes.

3) That the remaining channels should be reserved to provide services for the customer which he will choose himself and for which he will pay. No channel, however, should be leased outright, either partially or wholly; all should remain open for two-way use and computerized information retrieval.

4) That advertising not be permitted on either public or pay-cable channels.

5) That there should be no regularly scheduled channels.

6) That regulation should be minimal, dealing principally with maintaining technological standards and keeping competition open.

7) That regulatory preferences be indicated soon, before undesirable dispositions of power are firmly established and resistant to change.

These recommendations may seem a hardship and an inconvenience to a nation of viewers accustomed to being told what to view and when to view it, but the burden of free choice and responsibility must be

assumed, sooner or later, by the people, or the Republic won't survive.[6]

If cable television does not become the ultimate educator, sensitively responsible to the individual's most demanding and specific informational, aesthetic, and spiritual needs, chances are it will become his ultimate and lethal distractor. In that event, the mobs in the colisea of the ancient world will seem paragons of independence and generosity in comparison to the new interconnected hordes of the future--totally insulated, self-sufficient, serviced, manipulated, satiated, completely and disastrously plugged-in.

Not too frequently has mankind been given the chance to see a revolution coming and to adjust his sights accordingly. The instances I can think of -- at Alamogordo, New Mexico in 1945, England in the mid-eighteenth century -- are more frightening than reassuring.

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6. Polls of viewer preferences indicate that cable will not upgrade public taste automatically, or immediately result in a socially concerned public. Sterling Manhattan Cable, which services the lower half of Manhattan Island, surveyed its viewers with the following results:

    2,435 had watched the movies
    986 had watched the stock market quotations
    723 had watched a community show called "In and Around Manhattan"
    742 had watched "Television Profiles"
    513 had watched "Manhattan Issues"
    424 had watched "Congressional Forum"

    What is hopeful about this familiar set of statistics is that on cable the figures need not be devastating. "Congressional Forum" could continue and be as easily accessible as the others.

If the Sloan Commission, from fear of being considered fools or visionaries, neglects to point to what could happen, in favor of projecting what is likely to happen based on humanity's past performances (particularly in broadcasting), it will be woefully negligent. Everything touched on in these pages could happen. If the 'best' options don't prevail, it will be because men of vision have once again permitted the low-minded and mean-spirited to triumph.